

BEFORE THE IDAHO BOARD OF TAX APPEALS

IN THE MATTER OF THE APPEAL OF DAVID M. AND)	APPEAL NO. 06-A-2550
JANET D. GOSSETT from the decision of the Kootenai)	FINAL DECISION
County Board of Equalization for tax year 2006.)	AND ORDER
)	

RESIDENTIAL PROPERTY APPEAL

THIS MATTER came on for hearing December 15, 2006, in Coeur d'Alene, Idaho, before Hearing Officer Steve Wallace. Board Members Lyle R. Cobbs and David E. Kinghorn participated in this decision. Appellant David M. Gossett appeared for himself. Appraiser Cori M. Donaldson and Residential Appraisal Manager Darin D. Krier appeared for Respondent Kootenai County. This appeal is taken from a decision of the Kootenai County Board of Equalization denying the protest of the valuation for taxing purposes of property described as Parcel No. C31500200040.

The issue on appeal is the market value of a residential property

The decision of the Kootenai County Board of Equalization is modified.

FINDINGS OF FACT

The original assessed land value was \$67,500, and the improvements' valuation was \$243,062, totaling \$309,562. These last figures were upheld by the BOE. On appeal to the State Board of Tax Appeals, the County requests the assessed value be amended to \$274,422 to reflect recent corrections to property records. At hearing, Appellants requested a total value of \$250,000.

The subject property is an improved lot in a golf course development located in Coeur d'Alene. The .416 acre lot does not abut the golf course. The residence was built in 1978. The main level has 1,912 square feet. There is a partially finished basement under a portion of the main level. Total finished living area is 2,360 square feet. Appellants report subject has three

bedrooms and 1-3/4 baths.

Appellants originally contended County property records were in error. An Assessor performed an interior and exterior inspection and re-measured the property on December 7, 2006. At inspection with the property owner, a number of changes were noted. Once the public records were updated, a new calculation of value followed resulting in a significant reduction, primarily due to corrections in the basement size and amount of finish. The new calculation of value is \$274,422. At hearing, the County requested the Board recognize the changes and accept the revised valuation.

Appellants identified six (6) houses for sale in subject's neighborhood. Information was not available on all of them. One property was on the other side of the golf course and was listed at the time of hearing for \$220,000. This property had three bedrooms and two bathrooms. Another property was identified that had four bedrooms and three bathrooms and a listing price of \$299,000. Two value opinions were shared from realtors. The first was \$275,000 and the second suggested a potential selling price between \$261,000 to \$299,000. The second opinion was based on property information provided over the phone without benefit of a personal inspection. No comparable sales or reports were offered in support of the realtor estimates of value. Appellants concluded from his research and experience that a probable sale price for the subject property was \$250,000.

In addition to the property characteristics information above, the County explained the history and circumstances surrounding the 2006 assessment of subject. A reappraisal of the neighborhood was completed for the current 2006 tax year. Thirty-six improved 2005 sales were available in subject's development and considered in the reappraisal. Information was also presented on three vacant land sales. Respondent's exhibit materials documented the

reappraisal work and the assessment of subject and included narrative, photographs, property records, sale terms, and value calculation worksheets.

CONCLUSIONS OF LAW

This Board's goal in its hearings is the acquisition of sufficient, accurate evidence to support a determination of fair market value. This Board, giving full opportunity for all arguments and having considered all testimony and documentary evidence submitted by the parties in support of their respective positions, hereby enters the following.

Market value for assessment purposes is defined in Idaho Code § 63-201(10):

"Market value" means the amount of United States dollars or equivalent for which, in all probability, a property would exchange hands between a willing seller, under no compulsion to sell, and an informed, capable buyer, with a reasonable time allowed to consummate the sale, substantiated by a reasonable down or full cash payment.

An accurate identification of the property being appraised is one of the first steps in the appraisal process. County records in this regard did require some changes to accurately reflect physical characteristics of the subject. Following the corrections, the County presented a new, reduced calculation of value and recommends it be adopted by the Board. The County value position is now supported by accurate records, a market adjusted cost approach, and a recent consideration of numerous marketplace sales.

Appellants offer a lower value claim based on two market listings and two realtor opinions of probably selling price. The realtor opinions tend to overlap Respondent's revised value and are higher than Appellants' value claim. The realtor opinions were not supported by an explanation of the analysis and data considered. Taxpayer's other value evidence were two listings at \$220,000 and \$299,000. This price evidence overlaps the value claim, but again was lacking in supporting details. At least some of this later evidence appeared to be well after the

applicable valuation date of January 1, 2006. Idaho Code § 63-205(1). The County consideration of market evidence was timely, emphasizing 2005 sales data that would have been available (knowable) on the 2006 assessment date.

The decision of the County BOE enjoys a presumption of correctness. In this instance, that value was admitted to be in error. On appeal, an Appellant must show by a preponderance of the evidence (more likely than not) that the value claim is preferable to that value offered by the taxing authority. In this instance, we find Appellants have not met the legal burden. Idaho Code § 63-511(4). The good market value evidence better supports the County's revised value position. Appellants' value was not well supported. The Board will adopt the revised value position of Kootenai County and therefore the decision of the Board of Equalization will be modified.

FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decision of the Kootenai County Board of Equalization concerning the subject parcel be, and the same hereby is, modified to reflect a decrease to \$274,422.

IT IS FURTHER ORDERED that any taxes which have been paid in excess of those determined to have been due be refunded or applied against other *ad valorem* taxes due from Appellants.

DATED this 20th day of April, 2007.